

By: Bonnen

H.B. No. 4078

Substitute the following for H.B. No. 4078:

By: Muñoz, Jr.

C.S.H.B. No. 4078

A BILL TO BE ENTITLED

AN ACT

relating to participation in the uniform group coverage program for active school employees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 1579, Insurance Code, is amended by adding Section 1579.1045 to read as follows:

Sec. 1579.1045. ALTERNATIVE GROUP HEALTH COVERAGE PROHIBITED. Notwithstanding any other law, a participating entity may not offer or make available to the entity's employees or their dependents group health coverage not provided under the program.

SECTION 2. Subchapter D, Chapter 1579, Insurance Code, is amended by adding Section 1579.155 to read as follows:

Sec. 1579.155. PROGRAM PARTICIPATION: ELECTION. (a) Effective September 1, 2022, a participating entity may elect to discontinue the entity's participation in the program by providing written notice to the trustee not later than December 31st of the year preceding the first day of the plan year in which the election will be effective.

(b) A participating entity that elects to discontinue participation in the program under Subsection (a) may not elect to:

(1) participate in the program until the fifth anniversary of the effective date of the entity's election to discontinue participation; or

(2) discontinue the entity's participation after an

1 election described by Subdivision (1) until the fifth anniversary
2 of the effective date of that election.

3 (c) Effective September 1, 2022, an entity that elects to
4 participate in the program shall provide written notice to the
5 trustee not later than December 31 of the year preceding the first
6 day of the plan year in which the election will be effective. The
7 entity may not elect to discontinue the entity's participation
8 until the fifth anniversary of the effective date of the entity's
9 election to participate.

10 (d) The trustee by rule shall prescribe the time and manner
11 for making an election under this section and may adopt rules
12 necessary to administer this section.

13 SECTION 3. Sections 1579.1045 and 1579.155, Insurance Code,
14 as added by this Act, apply only to group coverage provided for a
15 plan year beginning on or after September 1, 2022. A plan year that
16 begins before that date is governed by the law as it existed
17 immediately before the effective date of this Act, and that law is
18 continued in effect for that purpose.

19 SECTION 4. This Act takes effect September 1, 2021.